

If the insurer intends to adjust the Bureau's pure premium rates upward or downward before application of its projected expenses and profit, the amount of the deviation should be entered here and supporting documentation attached as indicated.

B. Pure premium rate modifier. Enter the insurer's load for *everything except a deviation from Bureau pure premiums*. It may be multiplicative or additive or both. If the modifier is not solely a multiplier, attach an exhibit that shows how it is calculated and applied.

C. Projected Expenses. Enter the expenses incorporated in the pure premium rate modifier as percentages of the insurer's standard premium. Show investment income two ways, separately and included in the profit & contingencies item. Because these values are projections, an item's value may be 0 (zero) if no provision has been made for it in the pure premium rate modifier.

3. Rating Plans and Supplementary Rate Information.

Insurance Code section 11730, subdivision (j), defines "supplementary rate information" as ". . .any manual or plan of rates, classification system, rating schedule, minimum premium, policy fee, rating rule, rating plan, and any other similar information needed to determine the applicable premium for an insured." Attach as exhibits all Supplementary Rate Information that is relevant to the filing.

The Department should be able to determine from the Form and its exhibits all the rates the insurer will charge its insured's and the separate provisions for losses and expenses.

4. Classification System

Insurance Code section 11734, subdivision (b), permits an insurer to modify the DRO's classification system or develop its own, so long as the insurer can demonstrate that data the system produces can be reported consistent with the DRO's Uniform Statistical Reporting Plan. The required showing may be made in either of two ways:

- < By including with the filing an exhibit that describes the classifications and the data generation and reporting under the insurer's system; or
- < By including with the filing a letter from the Bureau, certifying that the insurer's classification and reporting systems will report data consistent with the DRO's Uniform Statistical Reporting Plan.

Signatures

The "person responsible for the filing" and an officer of the insurer must co-sign the Form.